Exhibit 5

U.S. Department of Justice

Antitrust Division

City Center Building
1401 H Street, NW
Washington, DC 20530

May 5, 2003

Barbara A. Pollack, Esquire
Vice President, Legal and General Counsel
Space and Airborne Systems
Raytheon Company
2000 East El Segundo Boulevard
Building E1
Mail Station A114
El Segundo, CA 90245

Re: Comment on Proposed Final Judgment in *United States v. Northrop Grumman Corporation and TRW Inc.*, No. 1:02CV02432, filed December 11, 2002

Dear Ms. Pollack:

This letter responds to your March 12 letter, commenting on the proposed Final Judgment submitted for entry in the captioned case. The government's Complaint in the case charged that the proposed acquisition of TRW Inc. ("TRW") by Northrop Grumman Corp. ("Northrop") would combine one of the only two suppliers of radar and EO/IR payloads for reconnaissance satellite systems sold to the U.S. Government (Northrop) with one of the few companies able to act as prime contractor on U.S. reconnaissance satellite programs that use these payloads (TRW). The Complaint alleges that as a result of this combination, Northrop would have the incentive and ability to lessen competition by favoring its own payload and/or prime contractor capabilities to the detriment or foreclosure of competitors, and would harm the U.S. Government by posing an immediate danger to competition in two current or future programs, the Space-Based Radar and Space Based InfraRed System-Low programs (the latter program is now called the Space Tracking and Surveillance System).

In your letter, you state that the proposed Final Judgment lacks clarity in three areas, and you propose specific modifications to the Final Judgment that you believe will provide that clarity. The first issue you raise concerns the definition of Payload and the Northrop Payload business, which under the terms of the decree must be kept separate from the TRW Space & Electronics Satellite Systems business. You request that the Final Judgment be modified to clarify that the definition of Payload includes signal intelligence (SIGINT) technology, millimeter wave technologies, all frequencies of radar, space and ground mission data processing, payload system integration, and algorithms. We do not believe that such modifications are necessary or advisable. The Final Judgment is designed to remedy only those potential foreclosures of Northrop's competitors that are

made possible by the acquisition of TRW. Those foreclosures are in radar, electro-optical, and infrared technologies, and thus the Complaint filed in this case, and Final Judgment, are targeted at Northrop's conduct with relation to those payloads.

As for the other technologies Raytheon wishes to specify in the definition of Payload, the definition already covers "the assembly or assemblies on a Satellite that ... enable a Satellite to perform a specific mission," and specifically includes "all related components, software, interfaces, any other items within the assembly or assemblies that enable the Payload to perform its contemplated function, and all related technical data and information customarily provided by a Payload supplier to a Prime Contractor ...." The definition was made as broad as possible to ensure that Northrop's responsibilities are not simply to provide a sensor package, but a functioning, usable payload. The requirement that Northrop provide payloads does not, however, include an obligation that Northrop provide pieces or components of those payloads separate from the payload itself. To the extent that your concern is that Northrop as a prime contractor could migrate certain work traditionally done by the payload provider into the prime contractor responsibilities, such trade-offs could exist whether or not Northrop purchased TRW, and the required separation between the prime and payload businesses at Northrop may inhibit this from occurring. Further, the Compliance Officer should have the authority to resolve any disputes that arise in this regard, which may depend in large part on how the Department of Defense wants to run the program.

Raytheon's second point is that, under the Final Judgment, Northrop could refuse to separately sell its satellites to other potential prime contractors, including Raytheon, if it were to choose to compete as a prime. As noted above, the Complaint and Final Judgment target the possible anticompetitive effects created by the combination of Northrop's payload capabilities and TRW's prime contractor capabilities, and are not designed to force Northrop to make available selected components of either the payload or prime capabilities. This would include the provision of satellites as a separate product, as opposed to Northrop's making itself available to a payload competitor as a prime contractor.

Finally, you argue that Paragraph IV. C. of the Final Judgment, which protects from disclosure the "products and/or other results of ... joint investment or development activity" when the two Northrop businesses are teamed on a given project, should be modified to require Northrop to make available to competing teams all results of innovation by the Satellite Prime Business that are funded by the Satellite Prime Business, and all results of innovation by the Payload Business that are funded by the Payload Business. Thus, the protections of IV.C. would not apply to any investment or development to which both the Payload and Satellite Prime businesses contribute, even in a teaming context. Such a rule would strip away from Northrop basic intellectual property protections that Raytheon itself recognizes as important to protect. Raytheon's proposal would make funding source the sole criterion for determining whether a project is a joint undertaking, and this is far too narrow a definition. Teammates are often expected to invest their own funds to further the competitive abilities of a team, and that would be no less the case in a team including the two Northrop businesses. The language you propose

could thus reduce the incentive for Northrop's Payload and Satellite Prime businesses to team with each other, even if the formation of such teams would be in the best interests of DoD. Rather than creating an inflexible rule, the Final Judgment permits the Compliance Officer to take all relevant factors into account in deciding whether the withholding of any given investment or development result constitutes the discrimination forbidden by the Final Judgment.

Thank you for bringing your concerns to our attention; we hope this information will help alleviate them. Pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(d), a copy of your comment and this response will be published in the Federal Register and filed with the Court.

Sincerely yours,

J. Robert Kramer II
Chief
Litigation II Section

Raytheon

Barbara A. Pollack
Vice President, Legal
[illegible]
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Space & Airborne Systems
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March 12, 2003

J. Robert Kramer II
Chief, Litigation II Section
Antitrust Division
U.S. Department of Justice
1401 H Street, NW, Suite 3000
Washington, DC 20530

Dear Mr. Kramer:

Raytheon Company respectfully submits the following comments on the Proposed Final Judgment in United States v. Northrop Grumman Corp. and TRW, Inc., Civil No. 1:02 CV 02432 (GK), 68 Fed. Reg. 1861 (1/14/03) (hereafter referred to as the "Consent Decree"). As a competitor to Northrop Grumman in the development, production, and sale of radar, electro-optic, and infrared payloads for reconnaissance satellite systems used in highly complex US Government space systems, Raytheon uniquely appreciates the need for the Consent Decree and for clear guidance regarding the boundaries of permissible conduct under the Decree. As discussed more fully below, the Consent Decree lacks clarity in three key areas. First, the Consent Decree fails to identify the existing Northrop Grumman businesses that fall within the definition of the Northrop Grumman Payload Business, a critical term used throughout the Consent Decree. Second, the Consent Decree does not squarely address how the remedy will apply if Northrop or a competitor decides to bid as a prime contractor for a reconnaissance satellite system through its Payload Business rather than through its satellite business. Finally, Raytheon believes the Consent Decree should be modified to clarify the extent to which the results of internally funded research and development may be reserved solely for a Northrop Grumman Payload/Satellite team.

There are two competitions addressed explicitly in the Competitive Impact Statement: the Space Based Radar Program and SBIRS-Low (now referred to as the Space Tracking & Surveillance System (STSS) Program). If lack of clarity in the scope of the Consent Decree leads to inappropriate disclosure of information between Northrop Grumman's Satellite Business (formerly TRW) and Northrop Grumman's Payload Business, it is unlikely the Government can obtain an effective remedy on those programs. Raytheon similarly would suffer irreparable damage from a less robust competitive opportunity. We submit, therefore, that the parties should clarify the requirements of the Consent Decree to eliminate potential loopholes rather than leave the issues addressed below to a trial and error process.

DEFINITION OF NORTHROP PAYLOAD BUSINESS:

The Consent Decree defines the term "Northrop Satellite Prime Business" by reference to the acquired TRW business and the term "Payload" by reference to technologies and capabilities. Payload includes radar, electro-optical and infrared assemblies on a Satellite and assemblies and all related components, software, interfaces, and the like that enable the payload to perform its contemplated function, whether or not on the Satellite. Consent Decree Section II.H.

There are a number of technologies and capabilities of Northrop Grumman that we believe fall within the definition of Payload. To ensure Northrop maintains the separation between its Payload and Satellite businesses, as required by the Consent Decree, reference to particular business divisions of Northrop as well as technologies is appropriate. Raytheon requests modification of Section II.H. of the Consent Decree to make the inclusion of those technologies, capabilities, and businesses explicit.

The technologies and capabilities we believe fall within the definition of Payload that should be specifically identified are: Signals Intelligence, often referred to as SIGINT, millimeter wave technologies, radar technologies regardless of frequency (e.g. 20 MHz to 28 GHz), space and ground mission data processing, payload systems integration, and algorithms.

Space and ground mission data processing, payload systems integration, and algorithms do not fit as neatly into the definition of Payload as hardware components or radar frequencies but these tasks and capabilities are integral to the competitiveness of payload designs. The question is where to draw the boundary between permissible vertical integration and competitive procurement opportunities.

Although space and ground mission data processing may be procured separately from the payload, it is an integral part of the payload business. Payload providers routinely make trades between the payload and ground. The tasking and control of the payload and the subsequent processing of the collected data are integral elements of the payload design optimization process. The scope of the space and ground mission data processing, therefore, materially impacts the design of the payload. With the continued evolution of high speed processors, the data processing function, historically done on the ground, is migrating into the space payload. These trades between payload and ground need to be procured competitively. Northrop recognizes this relationship in their organization; the existing Northrop ground mission data processing capability is part of their Space Systems Payload Business.

The space and ground mission data processing responsibility is a key part of payload systems integration since it involves the ability to efficiently parse the data processing function between space and ground. The Program Research and Development Agreement (PRDA) for the Space Based Radar Program provides a useful description of payload systems integration.[1] We submit the Court should adopt this definition for inclusion in the definition of Payload. The Space Based Radar PRDA states that the radar payload systems integrator shall be responsible for providing key interfaces and requirements data to the prime systems integrator. For example, on the Space Based Radar program the establishment of interface parameters across the Electronically Scanned Array, Radar Electronics Unit, Front End Processor, Back End Processor, Mass Data Storage, Communications,[2] and Data Handling subsystems, with the spacecraft bus are the responsibility of

[1] Since the PRDA represents the government customer's view of the role of a payload provider, with specificity regarding the tasks to be performed by a payload provider, Raytheon submits the Court should use the PRDA as a guide to what capabilities and technologies should be deemed part of the Northrop Grumman Payload Business, which must be segregated from Northrop's Satellite Prime Business.

[2] The Consent Decree explicitly excludes those payloads whose primary mission is communications from the definition of Payload. Raytheon included communications here because it is included in the PRDA for the Space Based Radar program but does not by doing so object to this limited consent Decree exclusion.

the payload contractor, including electrical, mechanical, and software specifications. Final integration/test and delivery of the complete Radar payload to the prime systems integrator is also the responsibility of the radar payload contractor.

There are few competitions in payloads for reconnaissance satellite systems. Should Northrop's satellite business have responsibility for payload systems integration, they would impact payload providers in a substantive and material way, relegating the payload provider to a parts supplier role. Should Northrop Grumman combine its payload integration capability and its prime satellite system integration capability, the combination will be difficult if not impossible to undo after the fact for the upcoming competitions. Such combination of the two capabilities would undermine the purpose of the Consent Decree and cause the very anti-competitive harm the Consent Decree is intended to prevent.

Raytheon also requests explicit confirmation that the Northrop Grumman Space Systems Division ("NGSSD") is part of the Northrop Grumman Payload Business under the Consent Decree. This business, formerly the Electronics and Information Systems Group of Aerojet-General, provided "sensing solutions" for SBIRS High, among other programs. NG Press Release dated October 22, 2001 (copy attached). See also NG Press Release dated April 9, 2001, in which Northrop stated that the EO sensor (FPA) for SBIRS High was delivered to Aerojet's production facility in Azusa, Calif., where it was to be integrated into the overall *payload* for SBIRS High (copy attached).[3]

NGSSD, the former Electronic and Information Systems Group of Aerojet-General is now part of Northrop's Electronic Systems sector, the sector that also contains Northrop's Baltimore payload operations. Prior to Northrop's acquisition of the former EIS Group of Aerojet, Raytheon entered into a teaming agreement with the business to seek opportunities jointly for payload business from then-TRW. In its efforts to obtain approval of that acquisition, Northrop committed to take specific actions to protect Raytheon's proprietary and competitively sensitive information. In doing so, Northrop recognized the important payload roles of the former Aerojet business.[4]

MERCHANT SUPPLIER OF SATELLITES:

The Consent Decree mandates a separation between the Northrop Satellite Prime Business and the Northrop Payload Business, Consent Decree Section IV.F., and requires that the Northrop Payload Business offer its payload to other satellite prime contractors on a non-discriminatory basis. Consent Decree Section IV.B. This is necessary to ensure a fair competitive process for prime contracts. The assumption that the satellite manufacturer will serve as prime contractor is consistent with prior practice in this market, where satellite manufacturers typically bid programs as prime and team with or competitively select payload providers. This approach is not required by the terms of the Government's Requests for Proposals and may not continue to be the norm in the future, however.

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[3] Other examples of payload competitive activity by NGSSD include: (1) GOES payload trade studies; (2) Advanced Technology Microwave Sounder program for NOAA; (4) Advanced Microwave Sounding Unit; and (5) Defense Support Program.

[4] Notwithstanding an exclusive arrangement between Raytheon and Aerojet, now NGSSD, NGSSD recently informed Raytheon it would not respond to a Request for Information to pursue a Payload opportunity on the STSS Program but intends to work with Northrop's payload business in an offering competitive with Raytheon's offering.

This is not a hypothetical issue. Raytheon and other payload providers bid as prime contractors on programs for other customers and procure the platforms. For example, Raytheon bid as a prime contractor against traditional satellite providers for the MUOS Program. The Government selected Raytheon as one of two contractors to continue to the next phase. Should Raytheon elect to bid as prime in the reconnaissance satellite systems opportunities addressed in the Consent Decree, Northrop could withhold access to its Satellite Business – including access to satellites, space vehicle integration and test, and support and associated services -- and effectively hamper such competition. Raytheon submits, therefore, that Section IV.B of the Consent Decree should be modified to apply to the Northrop Satellite Prime Business in the same fashion as they apply to the Northrop Payload Business to the extent a competitor of Northrop intends to submit a proposal as a Prime contractor on a US Government Satellite program, bidding through a competitor payload business. Further, the Consent Decree should be modified to apply in like fashion whether Northrop chooses to bid a program as prime through its Satellite Business or through its Payload Business.

RESEARCH AND DEVELOPMENT:

Raytheon recognizes the need to protect from disclosure to other parties joint investments between payload providers and their Satellite Prime Business partners. Section IV.C. of the Consent Decree should be modified, however, to state more clearly that Northrop may withhold from other parties the results of innovation funded by its Satellite Prime Business and executed by its Payload Business or vice versa, but not those innovations funded by the part of the Business that conducts the research. So, for example, Northrop could not treat as "joint investment" advances achieved by its Payload Business through Payload Business-funded research just because the Payload Business is teamed with its Satellite Business for a particular opportunity. Rather, as would be the case if the Payload Business teamed with an external Satellite prime, Northrop may and should withhold Payload Business research funded by the Satellite prime but make available to other Satellite primes research funded by the Payload Business. Similarly, the Satellite Prime Business cannot withhold from external payload providers research funded by the Satellite Business just because it also is teamed with the Northrop Payload Business.

Suggested language for the Consent Decree is attached as Attachment A. Raytheon will be available to answer questions or elaborate on any of the points raised above should the Government or Court deem such additional information appropriate.

Respectfully submitted,

Barbara A. Pollack
Vice President, Legal and
General Counsel, Space and Airborne Systems
RAYTHEON COMPANY

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NORTHROP GRUMMAN NEWS RELEASE

Northrop Grumman Delivers Infrared Focal Plane Assembly for SBIRS High

BALTIMORE, April 9, 2001 -- Northrop Grumman Corporation's (NYSE:NOC) Electronic Sensors and Systems Sector (ES3) has delivered the first qualification focal plane assembly (FPA) for integration in the U.S. Air Force's Space-Based Infrared Systems High (SBIRS High) program.

The FPA is the primary infrared sensor for the SBIRS High system. It is the key component that allows SBIRS High to detect and track missile launches around the world.

The FPA was delivered to Aerojet's production facility in Azusa, Calif., where it will be integrated into the overall payload for SBIRS High as it is prepared for the system integration and test phase in 2001.

Northrop Grumman supplies the FPA, the optical telescope assembly and the thermal control subsystem to the SBIRS High Payload team led by Aerojet. Lockheed Martin Corporation is the prime contractor for the SBIRS High Program.

"This delivery represents the culmination of three years of development work on the primary IR sensors for the SBIRS High mission," said Tom Reid, Northrop Grumman's FPA program manager. "Northrop Grumman relied upon its extensive background and expertise in infrared sensor programs such as Orbview 3, Warfighter and Advanced Landsat Focal Plane to successfully develop and deliver this critical system component."

SBIRS High is a series of high Earth orbiting satellites whose sensitive IR sensors can detect the launch of strategic and theater ballistic missiles from space and pass the time and location of launch to battlefield commanders.

SBIRS High works in conjunction with SBIRS Low, together forming a system of missile tracking satellites supporting missile defense by providing missile tracking, technical intelligence and battlespace characterization. Northrop Grumman is partnered with Spectrum Astro for SBIRS Low and is providing the overall sensor payload and ground station data processing and integration for the program definition and risk reduction phase.

For more than 30 years, Northrop Grumman Space Systems, a business unit of ES3 in Baltimore, has supplied the sensors for scores of space-based missions, including the Gemini rendezvous radar, the cloud imager for the Defense Meteorological Satellite Program and the multispectral/hyperspectral cameras for the Orbview 3 and 4 commercial remote sensing programs.

Northrop Grumman's ES3, headquartered in Baltimore, is a leading designer, systems integrator and manufacturer of defense electronics and systems, airspace management systems, marine systems, precision weapons, space systems, logistics systems, and automation and information systems.

Northrop Grumman Corporation is a $15 billion, global aerospace and defense company with its worldwide headquarters in Los Angeles. Northrop Grumman provides technologically advanced, innovative products, services and solutions in defense and commercial electronics, systems integration, information technology and non-nuclear shipbuilding and systems. With 80,000 employees and operations in 44 states and 25 countries, Northrop Grumman serves U.S. and international military, government and commercial customers.

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NORTHROP GRUMMAN NEWS RELEASE

Northrop Grumman Completes Acquisition of Aerojet-General's Electronics Group

Creates New $400 Million Space Systems Division

LOS ANGELES, Oct. 22, 2001 -- Northrop Grumman Corporation (NYSE:NOC) announced today that it has completed the acquisition of the Electronics and Information Systems (EIS) Group of Aerojet-General Corporation for $315 million in cash after securing necessary regulatory approvals. Aerojet-General is a wholly owned subsidiary of GenCorp Inc. (NYSE:GY).

The EIS business unit provides space-borne sensing for early warning systems, weather and ground systems that process C4ISR data from space-based platforms, and smart weapons technology for high-priority U.S. government national security programs. This unit had 2000 revenues of $323 million and has approximately 1,200 employees.

This operation is now part of Northrop Grumman's Electronic Systems sector's newly formed Space Systems Division, with approximately 1,600 employees and more than $400 million in annual revenues. The new division includes several ongoing space-based programs such as Space-Based Infrared Systems (SBIRS) High and SBIRS Low Defense Support Program, the Defense Meteorological Satellite Program and the National Polar Orbiting Operational Environmental Satellite System.

"This acquisition significantly enhances Northrop Grumman's capabilities in space-based systems and missile defense systems," said Robert P. Iorizzo, corporate vice president and president of the company's Electronic Systems sector. "The EIS business complements our cyberspace and information warfare efforts, sharpens our focus on advanced battlefield management and strengthens our company's capabilities in the growing space arena."

Carl Fischer, former president of Aerojet-General, has been named vice president and general manager of the new Space Systems Division, reporting to Mr. Iorizzo. Based in Baltimore, the new division also has facilities in Azusa, Calif.; Bethpage, N.Y.; Boulder, Colo.; and Colorado Springs, Colo.

Northrop Grumman Corporation is a $15 billion, global aerospace and defense company with its worldwide headquarters in Los Angeles. Northrop Grumman provides technologically advanced, innovative products, services and solutions in defense and commercial electronics, systems integration, information technology and non-nuclear shipbuilding and systems. With 80,000 employees and operations in 44 states and 25 countries, Northrop Grumman serves U.S. and international military, government and commercial customers.

Members of the news media may receive our releases via e-mail by registering at: http://www.northgrum.com/cgi-bin/regist_form.cgi

LEARN MORE ABOUT US: Northrop Grumman news releases, product information, photos and video clips are available on the Internet at: http://www.northropgrumman.com

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Attachment A
Letter to J. Robert Kramer, II
Ref: United States v. Northrop Grumman Corp. and TRW, Inc.,
Civil No. 1:02 CV 02432 (GK)

Consent Decree Suggested Changes:

Definitions:
IV.G. "Prime" or "Prime Contractor" means any entity engaged in the research, development, manufacture, sale and/or integration of Satellite Systems or Payloads that sells or competes to sell Satellite Systems directly to the United States government.[1]
II. H. "Payload" means the assembly or assemblies on a Satellite that, using electro-optical technology, infrared technology, or radar technology, including without limitation Signals Intelligence, millimeter wave technologies, and radar technologies regardless of frequency (e.g. 20 MHz to 28 GHz), enable a Satellite to perform a specific mission. Payload also shall include, with the assembly or assemblies, all related components, software, interfaces, electrical, mechanical and software specifications and any other items within the assembly or assemblies that enable the Payload to perform its contemplated function, space and ground mission data processing, payload systems integration, algorithms and all related technical data and information customarily provided by a Payload supplier to a Prime Contractor prior to entering into, or in the course of working pursuant to, a teaming agreement or contract. Data and information customarily provided includes the types of data and information provided by Northrop to its in-house Prime contract proposal team. Payload expressly excludes those payloads whose primary mission is communications.
II. K. "Northrop Payload Business" means that portion of Northrop engaged in the research, development, manufacture, or sale of Payloads, including the former Electronic and Information Systems Group of Aerojet-General, now part of Northrop's Electronic Systems sector but excluding TRW Payload entities.

Merchant Supplier of Satellites:
New IV.C. When Northrop is a competitor (or for potential future Programs, when Northrop has the capability to compete and has taken steps in anticipation of potentially competing) to be the Prime Contractor on a United States Government Satellite Program in which Northrop has the opportunity to offer its own Payload, the following is required:
(1) Northrop shall:
(a) For each Program or potential future Program for which a competitor of the Northrop Payload Business notifies Northrop that it potentially desires to compete to be the Prime Contractor and have Northrop supply the Satellite, space vehicle integration and test, or associated services, supply such Prime Contractor its Satellite, space vehicle integration and test, or associated services in a manner that does not discriminate in favor

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[1] The use of the term "Prime Contractor" in Section IV.F.(4) will need to be changed to accommodate this modification. Substitution of the term "Satellite Provider" for the term "Prime Contractor" in Section IV.F.(4) should adequately clarify the permissible uses of non-public information.

of its in-house proposal team against any other Prime Contractor on any basis, including but not limited to, price, schedule, quality, data, personnel, investment (including but not limited to, independent research and development), technology, innovations, design, and risk;

(b) For each Program or potential future Program for which a competitor of the Northrop Payload Business notifies Northrop of a bona fide potential desire to have Northrop supply the Satellite, space vehicle integration and test, or associated services, negotiate in good faith with such Prime Contractor to enter into commercially reasonable nonexclusive teaming agreements and contracts for the purpose of bidding on Satellite competitions and similar activities; such agreements and contracts shall not discriminate in favor of its in-house proposal team against any other Prime Contractor on any basis, including but not limited to, price, schedule, quality, data, personnel, investment (including but not limited to, independent research and development) technology, innovations design, and risk;

(c) Prior to entering into any such teaming agreements and contracts, provide to the Compliance Officer copies of such agreements for his approval. The Compliance Officer shall not unreasonably withhold approval of such agreements and contracts, and shall approve or reject the agreements and contracts within five (5) business days of receipt of the agreement or contract. If the Compliance Officer does not approve of the terms of an agreement or contract, the Compliance Officer shall refer the matter to the Secretary of the Air Force, and Northrop shall enter into teaming agreements and contracts on specific terms as required by the Secretary of the Air Force, in his sole discretion, such decision to be made within five (5) days of the decision of the Compliance Officer;

(d) On a non-discriminatory basis, provide information, as set forth in Definition J, regarding its Satellite, space vehicle integration and test, and associated services to its in-house proposal team(s) and to any Prime Contractor that has notified Northrop of a bona fide potential desire to have Northrop supply its Satellite, space vehicle integration and test, or associated services or with which Northrop has teamed to supply its Satellite, space vehicle integration and test, or associated services; and

(e) Make all personnel, resource allocation, and design decisions regarding the Satellite, space vehicle integration and test, or associated services on a non-discriminatory basis between its in-house proposal team(s) and any Prime Contractor with which Northrop has teamed.

(2) If the Compliance Officer concludes that Northrop has discriminated in favor of its in-house proposal team, failed to negotiate a teaming agreement or contract in good faith, or refused to enter into a commercially reasonable teaming agreement or contract, the Compliance Officer shall refer the matter to the Secretary of the Air Force who shall have the sole discretion to decide with whom, and on what terms Northrop enters into such teaming relationship, such decision to be made within five (5) business days of the decision of the Compliance Officer.

(3) Notwithstanding any provisions of this Section IV.C., Northrop may refuse to supply a Satellite, space vehicle integration and test, or associated services to any Prime Contractor if the number and/or burden of Primes Contractors seeking the benefit of this

Section becomes unreasonably large. In such event, Northrop shall notify the Compliance Officer, who shall review the decision and make a recommendation to the Secretary of the Air Force within ten (10) business days. The Secretary of the Air Force shall have the sole discretion to decide with whom, and on what terms, Northrop enters into such teaming relationships, such decision to be made within ten (10) business days of the decision of the Compliance Officer.

(4) In the event that Northrop notifies the Compliance Officer in writing that: (i) the Northrop Payload business elects not to supply its Payload to the Northrop Satellite Prime Business and not to bid as Prime Contractor through the Northrop Payload Business; or (ii) Northrop elects not to compete at either the Prime or Payload level, Northrop need not comply with the requirements of Section IV.C. after such notice.

Existing IV.C. through IV.I. renumbered to IV.D. through IV.J.

Research and Development:
Existing IV.C (to be renumbered IV.D.) and replaced with the following: When the Northrop Payload Business enters into teaming agreements or contracts or similar intra-company arrangements that function as teaming agreements with the Northrop Satellite Prime Business, the provisions in this Final Judgment requiring non-discriminatory behavior shall not require that Northrop disclose to any other team for the Program or potential future Program the products and/or other results of investments or developments achieved by the Northrop Payload Business to the extent funded exclusively by the Northrop Satellite Prime Business. When the Northrop Satellite Prime Business enters into teaming agreements or contracts or similar intra-company arrangements that function as teaming agreements with the Northrop Payload Business, the provisions in this Final Judgment requiring non-discriminatory behavior shall not require that Northrop disclose to any other team for the Program or potential future Program the products and/or other results of investments or developments achieved by the Northrop Satellite Prime Business to the extent funded exclusively by the Northrop Payload Business. When the Northrop Payload Business or the Northrop Satellite Prime Business enters into teaming agreements or contracts with any unrelated Company to compete for any Program or potential future Program, and the team engages in joint investment or development activity for that Program, the provisions in this Final Judgment requiring non-discriminatory behavior shall not require that Northrop disclose the products and/or other results of such joint investments or developments of that team to any other team for the Program or potential future Program.